



Vanguard[®]

What's inside:

- Form
- Special Tax Notice
- Postage-paid envelope

403(b)(7) Single Distribution Kit (Excluding Hardship Withdrawals)

To request a total or partial distribution from your Vanguard 403(b)(7) account

Before completing this form, refer to Eligibility for 403(b)(7) Distributions on the next page. Contact your administrator or consult your tax advisor for more information. You may also refer to IRS Publications 571, 575, and 590, which are available online at irs.gov.

Note: You must sign in Section 6 and your plan administrator may need to sign in Section 7.

Important note about hardship withdrawals

A hardship is defined as an immediate and heavy financial need when no other funds are available to you. **To request a hardship withdrawal, use our 403(b)(7) Hardship Withdrawal Form; do not use this form.**

Eligibility for 403(b)(7) distributions

Reason for distribution	Instructions
Age 59½ or older	Your plan may permit you to take a distribution at age 59½ even if you continue working. Contributions and investment earnings are taxed as ordinary income at the time of withdrawal.
Divorce	You may take a distribution when you have received assets as a result of a divorce transfer. Complete this form only after the assets have been moved into an account in your name as a result of a Qualified Domestic Relations Order (QDRO).
Qualified reservist	Your plan may permit you to take a distribution without penalty if you are a qualified reservist as defined by the IRS.
Required minimum distributions (RMDs)	You must begin taking RMDs during the year you reach age 70½, unless you are still working for the employer sponsoring the 403(b)(7) plan. If you would like Vanguard to calculate and/or distribute your RMDs for you, call us to request information about our free RMD Service.
Severance from employment	You may take a distribution anytime after you terminate employment. However, a 10% premature distribution penalty may apply, unless you meet an exception under the Internal Revenue Code. To claim an exception, you must complete IRS Form 5329. Consult your tax advisor for additional information.
Total and permanent disability	You may take a distribution without penalty only if your disability is total and permanent as defined by the IRS.
Plan termination	You may take a distribution if your employer has terminated your 403(b)(7) plan. Be sure to verify with your employer that the plan is truly being dissolved. You'll need to provide proof, such as a copy of the plan termination letter you received from your employer or administrator. Or have your plan administrator provide authorization by signing in Section 7 of this form.
Death	You may take a distribution when the original owner of the Vanguard 403(b)(7) account has died. Complete this form only after the assets have been moved into a beneficiary account in your name.



403(b)(7) Single Distribution Form (Excluding Hardship Withdrawals)

Use this form to request a total or partial distribution from your Vanguard 403(b)(7) account. Distributions may be subject to federal income tax withholding and penalties.

To request distributions by installment payments, use our 403(b)(7) Installment Distribution Form. To request an asset transfer, contact the institution where the assets are now.

Don't use this form if you're requesting a hardship withdrawal or a distribution to remove an excess contribution. Call us instead.

Print in capital letters and use black ink.

Questions?
Call 800-962-5068.

If you need other forms, go to vanguard.com/serviceforms.

1. Participant information

Provide full, legal name. >

Name <i>first, middle initial, last</i>	
Daytime phone <i>area code, number, extension</i>	Evening phone <i>area code, number, extension</i>
Social Security number or individual taxpayer ID number	Zip code

2. Reason for distribution

- You must meet one of the qualifications below to be eligible for a distribution or rollover. Your distribution may be subject to ordinary income tax and may also be subject to a 10% premature distribution penalty.
- To claim an exception from the premature distribution penalty, you must complete IRS Form 5329.
- For more information about eligible reasons for taking distributions from a 403(b)(7) plan, consult your plan administrator or your tax advisor, or refer to IRS Publications 571, 575, and 590.

Check only one. If you don't check a box or if you check multiple boxes, your distribution may be delayed.

Choose the reason that applies to you. >

<input type="checkbox"/>	Age 59½ or older. I'm age 59½ or older and this isn't a required minimum distribution. <i>You're eligible to begin taking distributions at age 59½ even if you continue working.</i>
<input type="checkbox"/>	Divorce. I'm the former spouse (alternate payee) of a plan participant and want to take a distribution from the assets I received as a result of a divorce transfer.
<input type="checkbox"/>	Qualified reservist. I'm a qualified reservist as defined by the IRS.
<input type="checkbox"/>	Required minimum distribution (RMD). I'm age 70½ or older, and the distribution amount requested represents all or part of my RMD. <i>If you'd like to have your RMD automatically distributed for you each year, call us to sign up for our free RMD Service.</i>
<input type="checkbox"/>	Severance from employment. I'm no longer employed by the employer sponsoring the plan.
<input type="checkbox"/>	Total and permanent disability. I'm totally and permanently disabled as defined by the IRS.
<input type="checkbox"/>	Plan termination. My employer has terminated the plan.
<input type="checkbox"/>	Death. I'm the owner of a 403(b)(7) beneficiary account, and I'd like to take a distribution from the assets I received following the plan participant's death.



3. Direct rollover options *if applicable*

Complete this section only if you're electing a direct rollover of your Vanguard 403(b)(7) account to another retirement account, and you've checked a qualifying reason other than RMD in Section 2. Otherwise, skip to Section 4 to request a distribution by check or by investment in a nonretirement account.

- **You can't choose this option if you indicated an RMD in Section 2.** RMD amounts aren't eligible to be rolled over. If you're age 70½ or older or you'll reach age 70½ this year, make sure you've satisfied your RMD amount before initiating a rollover.
- Recent contributions to your account generally aren't available for distribution until the tenth business day after we receive them.

Amount of rollover (IRS distribution code G) *Check and complete one.*

<input type="checkbox"/> Roll over all.	Vanguard 403(b)(7) account number
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If you check this box, you must provide your fund information below. ➤

<input type="checkbox"/> Roll over part:		Vanguard 403(b)(7) account number			
Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares
Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares
Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares
Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares

If you need more space to list additional funds, either photocopy this section or attach a separate sheet. ➤

Please return ALL pages of this form, even if some sections are left blank.



Account to receive your rollover *Check and complete A, B, C, or D.*

If you roll over the assets to a Roth IRA, the rollover will generally be considered a conversion and is therefore treated as a taxable distribution (generally in the year the conversion takes place). Please contact Vanguard or your tax advisor for more details.

<input type="checkbox"/> A. New Vanguard traditional IRA. Complete and include a Rollover IRA Form.	<input type="checkbox"/> B. New Vanguard Roth IRA. Complete and include a Rollover IRA Form.
<input type="checkbox"/> C. Existing Vanguard IRA®. Provide account number.	

If you selected A, B, or C, your assets will be invested in the same funds and proportions as in your existing Vanguard 403(b)(7) account, unless you indicate otherwise below. (Percentages must total 100%.)

Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares
Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares
Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares
Fund number	Dollar amount \$	<i>or</i>	Percentage .0%	<i>or</i>	Number of shares

D. Retirement account held at another institution. Indicate the type of plan and provide the custodian/plan information below. **Important:** Before selecting this option, check with the receiving plan to determine whether it accepts rollovers from 403(b)(7) accounts and if additional paperwork is required.

Type of plan *Check one.*

<input type="checkbox"/> Traditional IRA	<input type="checkbox"/> Other employer-sponsored plan
<input type="checkbox"/> 403(b)	<input type="checkbox"/> Roth IRA
<input type="checkbox"/> Inherited traditional IRA	<input type="checkbox"/> Inherited Roth IRA
<input type="checkbox"/> State teacher retirement plan	<input type="checkbox"/> Government 457(b)

Custodian/Plan information *You must complete this entire section.*

Rollover check will be made payable to the custodian/plan indicated here, and it will be mailed to this address unless you check the box below.

Name of IRA custodian or employer-sponsored plan (payee)

Account number

Street or P.O. box

City, state, zip

Phone number	Contact name
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Check this box if you want the check mailed to your address of record instead.

Please return ALL pages of this form, even if some sections are left blank.



4. Distribution by check or by investment in a nonretirement account

Complete this section only if you want either to have Vanguard mail a check for the amount of your distribution or to have your distribution amount transferred to a Vanguard nonretirement account. Recent contributions to your account generally aren't available for distribution until the tenth business day after we receive them. If the account balance in any of the funds you indicate is less than your requested amount (because of market fluctuations, for example), we'll distribute the entire account balance in that fund as a lump-sum payment.

Amount of distribution *Check and complete one.*

Check here if you want to distribute only part of your funds. >	<input type="checkbox"/> Distribute all.		Vanguard 403(b)(7) account number			
	<input type="checkbox"/> Distribute part:		Vanguard 403(b)(7) account number			
If you need more space to list additional funds, either photocopy this section or attach a separate sheet. >	Fund number	Dollar amount \$	or	Percentage .0%	or	Number of shares
	Fund number	Dollar amount \$	or	Percentage .0%	or	Number of shares
	Fund number	Dollar amount \$	or	Percentage .0%	or	Number of shares
	Fund number	Dollar amount \$	or	Percentage .0%	or	Number of shares

How you want to receive your payment *Check A, B, C, or D.*

If you check this box, a signature guarantee is required in Section 6. >	<input type="checkbox"/> A. Make check payable to me and mail to my address of record.	
	<input type="checkbox"/> B. Make check payable to me and mail to a different address.	
	Street	
	City, state, zip	
	<input type="checkbox"/> C. Invest my distribution in the following Vanguard nonretirement account that lists me as sole or joint account owner, investing the proceeds in the same funds and proportions as in my existing Vanguard 403(b)(7) account.	
	Vanguard account number	

Please return ALL pages of this form, even if some sections are left blank.



D. Invest my distribution in the following Vanguard nonretirement fund accounts that list me as sole or joint account owner.

If you need more space, attach a separate sheet. >

Fund number	Account number	Dollar amount or Percentage or Number of shares \$.0%
Fund number	Account number	Dollar amount or Percentage or Number of shares \$.0%
Fund number	Account number	Dollar amount or Percentage or Number of shares \$.0%
Fund number	Account number	Dollar amount or Percentage or Number of shares \$.0%
Total		\$ 100.0%

5. Income tax withholding election *Skip this section if you selected A, C, or D in Section 3.*

- Regardless of your withholding election, you’re responsible for paying any tax due on the taxable portion of your distribution.
- You may be subject to penalty taxes if federal and state taxes are due and either your estimated tax payments or the amount of tax you’ve withheld is insufficient under IRS rules or your state’s rules.
- Your withholding for federal and state taxes can’t exceed 100% of your distribution.
- **Important:** Prior to completing a Roth conversion, you may want to consult a tax advisor. At year-end, Vanguard will send both you and the IRS a tax form detailing the amount of your distribution and any tax withholding that has been applied. By converting your 403(b)(7) account to a Roth IRA, you’re making a taxable distribution from your existing 403(b)(7) account.

Special rules for addresses outside the U.S.

If your account is registered to an address outside the U.S. or your payment is being directed outside the U.S., we’re required to presume your tax status to be foreign and withhold 30% federal income tax from your distribution *unless* one of the following applies:

- **You’re a U.S. person (including a resident alien) and we have a valid IRS Form W-9 on file.** We’re required to withhold the maximum federal income tax rate from your distribution. *You can’t elect out of federal income tax withholding for distributions delivered outside the U.S.*
- **You’re not a U.S. person and we have on file a valid IRS Form W-8 on which you’ve claimed tax treaty benefits.** If you’re eligible for a reduced withholding rate based on a tax treaty your country has with the U.S., you may claim the reduced rate by completing Form W-8, including the section titled “Claim of Tax Treaty Benefits,” and providing either your U.S. taxpayer identification number (TIN) or your foreign TIN. If your claim is valid, the reduced rate will be applied.

If you have an address outside the U.S. and aren’t sure whether we have a Form W-9 or W-8 on file for your account, please call us. We’ll provide you with further instructions for completing either a paper Form W-9 or an electronic Form W-8.

Federal income tax withholding for distributions other than RMD or equal payments

Check this box (and indicate your withholding amount below, if applicable) if the distribution doesn’t represent an RMD or a series of equal payments over your lifetime, the joint lifetime of you and your beneficiary, or a period of ten or more years, and therefore is eligible to be rolled over.

All distributions other than RMDs, hardship withdrawals, and certain types of periodic payments are subject to mandatory 20% income tax withholding, as explained in the accompanying Special Tax Notice.

If you don’t specify an amount, Vanguard will withhold 20% of the entire amount. >

Withhold at a rate of _____ %. The rate must be at least 20%.



Federal income tax withholding for RMDs and equal payments

Check this box, and one of the following two boxes, if the distribution represents an RMD or a series of equal payments over your lifetime, the joint lifetime of you and your beneficiary, or a period of ten or more years, and therefore isn't eligible to be rolled over.

Distributions that aren't eligible to be rolled over aren't subject to mandatory withholding. However, these distributions are subject to federal income tax withholding at a rate of 10% unless you check the **Don't withhold** box or specify a higher amount below.

If you don't check a box or specify an amount, Vanguard will withhold 10% of the entire amount.

Don't withhold federal income tax from my distribution.

Withhold at a rate of _____ %. The rate must be at least 10%.

State income tax withholding

Vanguard will apply withholding for your state as you instruct on the next page. If you have questions regarding state withholding, contact your tax advisor or your state's taxing authority. **If you're not a resident of one of the following states, skip to Section 6.**

Residents of Iowa, Kansas, Maine, Massachusetts, Nebraska, Oklahoma, and Virginia

If federal tax is withheld, state tax withholding is mandatory. Vanguard will automatically withhold the minimum required by your state unless you specify a higher amount on the next page.

Residents of Arkansas, California, Delaware, Georgia, Michigan, North Carolina, Oregon, and Vermont

If federal tax is withheld, state tax withholding is mandatory unless you specifically elect not to have state tax withheld. Vanguard will automatically withhold the minimum required by your state unless you either check the **Don't withhold** box or specify a higher amount on the next page.

Residents of Mississippi

If federal tax is withheld, state tax withholding is mandatory if your distribution is subject to the federal early withdrawal penalty. Vanguard will automatically withhold the minimum required by Mississippi unless you specify a higher amount on the next page.

Residents of Maryland

If federal tax is withheld, Maryland tax withholding is mandatory. Vanguard will automatically withhold the minimum required by Maryland, unless you specify a higher amount on the next page. Withholding is optional on distributions not eligible for rollover.

Residents of Indiana, Louisiana, Missouri, Montana, New Jersey, New Mexico, New York, Utah, and Wisconsin

State tax may be withheld regardless of your federal withholding election. Vanguard will or won't withhold as you indicate on the next page.

You must sign on page 7.



If withholding isn't mandatory, you may still elect your state withholding at any rate or dollar amount you choose.

Provide your state of residence, if applicable. >

Vanguard will use the address of record on your account to determine state withholding requirements. If the state listed on your account isn't your legal state of residence, provide that information here.	State of residence
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Check one.

<input type="checkbox"/> Don't withhold state income tax from my 403(b)(7) distribution.		
<input type="checkbox"/> Withhold my state's minimum requirement.		
<input type="checkbox"/> Withhold this amount (we'll withhold at least your state's minimum requirement):	%	or \$

6. Participant signature *Read carefully before signing.*

Important: If you elected in Section 4 to have the check mailed to a different address, a signature guarantee is required. Don't sign below until you're in the presence of the authorized officer. **Note:** If you elected a direct rollover option in Section 3, a signature guarantee isn't required.

I hereby certify that I have satisfied the reason for taking a distribution chosen in Section 2 and that I am eligible to take a distribution in accordance with the terms of my employer's plan.

I hereby instruct Vanguard to distribute my 403(b)(7) account as indicated on this form. I acknowledge that I have received and read the accompanying Special Tax Notice.

Signature of participant X	Date <i>mm/dd/yyyy</i>
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Signature guarantee *if required*

You can get a signature guarantee from an authorized officer of a bank, a broker, and many other financial institutions. >
A notary public CANNOT provide a signature guarantee.

Authorized officer's title	Signed guarantee stamp <i>must be original and state "signature guaranteed"</i>
Name of institution	
Date <i>mm/dd/yyyy</i>	
Applies to signature of participant.	

The plan administrator's signature may be required on the next page.



7. Plan administrator authorization *Read carefully; a signature may be required.*

If your plan is subject to ERISA. The plan administrator must sign.

If your plan isn't subject to ERISA. The plan administrator must sign only if you're under age 59½ and you selected qualified reservist, severance from employment, or total and permanent disability in Section 2.

If you're unable to obtain your plan administrator's signature. Call us.

Name of plan administrator <i>first, middle initial, last</i>	Title of administrator
Signature of plan administrator X	Date <i>mm/dd/yyyy</i>

Mailing information

Make a copy of your completed form for your records.

Mail your completed form and any attached information in the enclosed postage-paid envelope.

If you don't have a postage-paid envelope, mail to: Vanguard
P.O. Box 1110
Valley Forge, PA 19482-1110

For overnight delivery, mail to: Vanguard
455 Devon Park Drive
Wayne, PA 19087-1815



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P.O. Box 1110
Valley Forge, PA 19482-1110

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Special tax notice regarding 403(b) plan payments

For payments not from a designated Roth account

Your rollover options

You are receiving this notice because all or a portion of a payment you are receiving from your employer plan (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover. This notice describes the rollover rules that apply to payments from the Plan that are not from a designated Roth account (a type of account with special tax rules in some employer plans). If you also receive a payment from a designated Roth account in the Plan, you will be provided a different notice for that payment and the Plan administrator or the payor will tell you the amount that is being paid from each account.

Rules that apply to most payments from a plan are described in the "General information about rollovers" section. Special rules that only apply in certain circumstances are described in the "Special rules and options" section.

General information about rollovers

How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (unless an exception applies). However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception applies).

Where may I roll over the payment?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan (for example, no spousal consent rules apply to IRAs and IRAs may not provide loans).

Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. You will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld. If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59½ (unless an exception applies).

How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover except:

- Certain payments spread over a period of at least ten years or over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary).
- Required minimum distributions after age 70½ (or after death).
- Hardship distributions.
- Corrective distributions of contributions that exceed tax law limitations.

The Plan administrator or the payor can tell you what portion of a payment is eligible for rollover.

If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation.
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the lives or joint life expectancy of you and your beneficiary).
- Payments made due to disability.
- Payments after your death.
- Corrective distributions of contributions that exceed tax law limitations.
- Payments made directly to the government to satisfy a federal tax levy.
- Payments made under a qualified domestic relations order (QDRO).
- Payments up to the amount of your deductible medical expenses.
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days.

If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?

If you receive a payment from an IRA when you are under age 59½, you will have to pay the 10% additional income tax on early distributions from the IRA, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- There is no exception for payments after separation from service that are made after age 55.
- The exception for QDROs does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse).
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

- There are additional exceptions for (1) payments for qualified higher-education expenses, (2) payments up to \$10,000 used in a qualified first-time home purchase, and (3) payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

Will I owe state income taxes?

This notice does not describe any state or local income tax rules (including withholding rules).

Special rules and options

If your payment includes after-tax contributions

After-tax contributions included in a payment are not taxed. If a payment is only part of your benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in a payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). If you do a direct rollover of only a portion of the amount paid from the Plan and at the same time the rest is paid to you, the portion directly rolled over consists first of the amount that would be taxable if not rolled over. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions. In this case, if you directly roll over \$10,000 to an IRA that is not a Roth IRA, no amount is taxable because the \$2,000 not directly rolled over is treated as after-tax contributions. If you do a direct rollover of the entire amount paid from the Plan to two or more destinations at the same time, you can choose which destination receives the after-tax contributions.

If you do a 60-day rollover to an IRA of only a portion of a payment made to you, the after-tax contributions are treated as rolled over last. For example, assume you are receiving a distribution of \$12,000, of which \$2,000 is after-tax contributions, and no part of the distribution is directly rolled over. In this case, if you roll over \$10,000 to an IRA that is not a Roth IRA in a 60-day rollover, no amount is taxable because the \$2,000 not rolled over is treated as after-tax contributions.

You may roll over to an employer plan a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

If you miss the 60-day rollover deadline

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. To apply for a waiver, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590, *Individual Retirement Arrangements (IRAs)*.

If you roll over your payment to a Roth IRA

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. However, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within five years, counting from January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to \$10,000) and after you have held the Roth IRA for at least five years. In applying this five-year rule, you can count from January 1 of the year in which your first contribution was made to the Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime. For more information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

If you are not a Plan participant

Payments after death of the participant. If, after the participant's death, you receive a distribution that you do not roll over, the distribution will generally be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions does not apply.

If you are a surviving spouse. If you are a surviving spouse of a deceased participant and you receive a payment from the Plan, you have the same rollover options that the participant would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½.

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the participant had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the participant had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the participant would have been age 70½.

If you are a surviving beneficiary other than a spouse. If you are a designated beneficiary other than a surviving spouse and you receive a payment from the Plan because of the participant's death, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

Payments under a QDRO. If you are the spouse or former spouse of the participant and you receive a payment from the Plan under a QDRO, you generally have the same options the participant would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). Payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If you are a nonresident alien

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60-day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*.

Other special rules

If a payment is one in a series of payments for less than ten years, your choice whether to make a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than \$200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover and is not required to withhold for federal income taxes. However, you may do a 60-day rollover.

Unless you elect otherwise, a mandatory cashout of more than \$1,000 (not including payments from a designated Roth account in the Plan) will be directly rolled over to an IRA chosen by the Plan administrator. A mandatory cashout is a payment from a plan to a participant made before age 62 (or normal retirement age, if later) and without consent, where the participant's benefit does not exceed \$5,000 (not including any amounts held under the plan as a result of a prior rollover made to the plan).

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information, see IRS Publication 3, *Armed Forces' Tax Guide*.

For more information

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, or on the web at irs.gov, or by calling 800-TAX-FORM.